

GENERAL INSTRUCTIONS

Note: A return must be filed each quarter, even if you had no income tax withheld for that period. Each page submitted must have your Withholding Account Number clearly printed at or near the top of the page. Do not write notes on the withholding listing pages.

Form 941ME is used to report total income tax withheld for the quarter and to reconcile 900ME voucher payments during the quarter, if applicable. If you also make, or expect to make, Unemployment Insurance Contributions, call the Central Registration Unit at 207-287-2338 to request the appropriate combined withholding tax and unemployment contribution booklet (Form 941/C1-ME).

Each return in this booklet is preprinted with your Withholding Account Number, business name(s), period covered and due date. Returns must be completed and filed with Maine Revenue Services on or before the preprinted due date. Your Withholding Account Number consists of your Federal Employer Identification Number plus a two-digit state suffix.

When a business terminates or the payment of wages permanently ceases, complete the Cancellation Notice on the quarterly return.

If you have a change in your name, address, phone number or any other information related to this form, submit a completed Name and Address Change Form (Form 941/C1C-ME on page 3). We will correct our records and, if necessary, provide new payment vouchers and Forms 941ME.

Do not make changes on Form 941ME. If your Federal Employer Identification Number (Maine Withholding Account Number) changes, call the Central Registration Unit at 207-287-2338.

If it is necessary to make a correction in a withholding tax amount you reported for a previous period or for a particular employee, submit an amended return (Form 941A-ME) for that period along with an explanation of the change. We will correct your account for the period involved. Do not make an adjustment on the current Form 941ME.

Any questions regarding this form or income tax in general should be directed to Maine Revenue Services at 207-626-8475.

Interest and Penalty. Beginning January 1, 2004, interest is charged at an annual rate of 6%, compounded monthly, on the unpaid withholding tax. The penalty for failure to pay the withholding tax on time is 1% per month up to a maximum of 25%. The penalty for failure to file the return on time is 10% of the tax liability or \$25, whichever is greater. If the return is filed more than 30 days after demand, the penalty is 100% of the tax due.

Do not mail photocopies of the forms in this book to Maine Revenue Services. Photocopied forms cannot be processed by Maine Revenue Services' scanning system.

SPECIFIC INSTRUCTIONS

Note: The forms in this book are designed to comply with optical scanning requirements. The spaces outlined in red must be completed carefully in black or blue ink. Letters and numbers must be entered legibly within the outline area. Letters must appear in upper case only and start on the left; numbers start from the right. For example:

| | |
|---------------------------|---------------------|
| Name | C O M P A N Y I N C |
| Address | 1 2 3 F I R S T S T |
| Maine income tax withheld | 1 2 3 4 5 . 0 0 |

Use the extra tax form in this booklet if you make an error on your quarterly tax return.

Line 1. Enter on line 1 the amount of Maine income tax withheld during the period covered. If you are required to make payment of income tax withholding semi-weekly, complete the reconciliation schedule on the return and enter the total amount withheld from line 4 on this line.

Line 2. If you are required to make payment of income tax withholding semi-weekly, complete the reconciliation schedule on the return and enter the total amount remitted (either with Forms 900ME or by EFT) from line 5 on this line. For additional information on who is required to make semi-weekly payments of income tax withholding, see the specific instructions for reconciliation of 900ME voucher payments on the following page.

SPECIFIC INSTRUCTIONS, continued

Line 3. Enter the total Maine income tax withholding due with this return (line 1 minus line 2). Enclose your remittance with the return.

Schedule 1 Reconciliation of 900ME Payments or EFT Payments of Income Tax Withholding

If you are required to make payment of income tax withholding on a semi-weekly basis, complete Schedule 1 on the return. Complete one row of the schedule for each payroll during the quarter.

Employers who reported Maine income tax withholding of \$18,000 or more for the 12 months ending June 30, 2003 are required to make semi-weekly payments of income tax withholding using the following schedule:

| <u>Day Wages Paid</u> | <u>Remittance Due</u> |
|-----------------------------------|--------------------------------------|
| Wednesday, Thursday, Friday | On or before the following Wednesday |
| Saturday, Sunday, Monday, Tuesday | On or before the following Friday |

Payments may be made either by voucher (Form 900ME) or Electronic Funds Transfer (EFT). See page 3 of this booklet to find your withholding tax remittance frequency. Your required remittance frequency will either be semi-weekly or quarterly.

Line 4. If you remit semi-weekly withholding payments, enter the total amount withheld this quarter. Enter this amount on line 1.

Line 5. Enter the total amount of withholding paid this quarter. Include amounts remitted with Forms 900ME as well as amounts sent by EFT. Enter this amount on line 2.

Income Tax Withholding Listing

Do not complete the Income Tax Withholding Listing if you did not withhold income tax for any employee during the quarter. Complete all information for each withholding listing page submitted. Include filers reporting backup withholding, pension withholding, distribution withholding, etc.

Column 7. Enter each employee's last name, first name and middle initial.

Column 8. Type or print each employee's social security number.

Column 9. Enter the total Maine income tax withheld for each employee during the quarter covered by this report. If an employee's withholding is greater than \$999,999.99, enter the withholding on two or more lines to add up to the total withholding for the employee. Also include filers reporting backup withholding, pension withholding, distribution withholding, etc.

Line 10. Enter the total Maine income tax withheld for employees listed on this page.

Line 11. Enter the total Maine income tax withheld for all pages on this line (last withholding listing page only) and on line 4 (or line 1, if not completing Schedule 1).